



County of Los Angeles
Department of Public Social Services

Bryce Yokomizo
Director

February 4, 2003

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**RECOMMENDATION TO AMEND CONTRACT WITH
CENTER FOR COMMUNITY AND FAMILY SERVICES
FOR THE PROVISION OF
CalWORKs STAGE 1 CHILD CARE SERVICES
(DISTRICT 2)
(3 VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

Approve and delegate authority to the Director of the Department of Public Social Services (DPSS) to sign Amendment Number 3 to contract number #CW01-58 with the Center for Community and Family Services (CCFS), substantially similar to the enclosed document. The amendment combines the two caseload maximums and payment rates contained in the contract into a single caseload maximum and single payment rate, effective the day after Board approval through June 30, 2003. There is no increase in the estimate cost of \$1,837,501 of the contract, which is included in the Department's FY 2002-03 Adopted Budget.

PURPOSE/JUSTIFICATION OF RECOMMENDATION

The current contract compensates CCFS at two different rates. Additionally, the current contract contains two maximum caseload figures. This occurred as a result of the agency assuming, on an urgent, interim basis, the caseload that was previously managed by Equipoise, Inc. The contract with Equipoise, Inc., was terminated by your Board as of June 30, 2001 for the convenience of the County.

The amendment combines the two different contract rates into a single rate and combines the two maximum caseloads into one maximum caseload, through the contract term of June 30, 2003.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The amendment will further the County's Strategic Plan in the area of Children and Families' Well-Being (Goal Number 5) by continuing and supporting the Department's efforts to ensure families have access to quality child care in Los Angeles County.

FISCAL IMPACT/FINANCING

The current contract compensates CCFS at two different contract rates; \$126.05 per case that had been in place for the former Equipoise, Inc., contract and \$128.08 per case for CCFS' original contract. It also compensates CCFS at two different rates for outreach activities, \$9,200 per year for the former Equipoise, Inc., contract and \$4,138 per year for CCFS' original contract. This amendment sets single rates of \$126.68 per case per month for a maximum annual caseload of 13,338 cases, a maximum annual fixed fee for collocating staff of \$134,505, and a maximum annual fee for outreach activities of \$13,338. The maximum contractual obligation is \$1,837,501.

The costs of this contract are covered by CalWORKs Stage 1 Child Care funds. There is no additional net County cost. Child Care Services is a mandated program for CalWORKs Welfare-to-Work participants. Stage 1 contract costs are included in the Department's FY 2002-03 Adopted Budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Our County has been contracting with the local Alternative Payment Program agencies since December 1999 for the provision of Stage 1 Child Care Services. On June 14, 2001, the Board approved DPSS' recommendation to terminate the Stage 1 contract with Equipoise, Inc., effective June 30, 2001, and approve a contract amendment for CCFS to assume interim responsibility for the provision of Stage 1 Child Care Services for families formerly served by Equipoise, Inc., as of July 1, 2001. This recommendation was a result of California Department of Education's (CDE) termination of all Equipoise's contracts because of unsatisfactory audit findings. These contracts were assumed by CCFS on an interim basis.

In June 2002, CDE notified DPSS that they had extended their Stage 2 and 3 contracts with CCFS on a permanent basis. DPSS concurs with CCFS retaining the Equipoise, Inc., service area on a permanent basis, and thus, proposes to combine the Equipoise, Inc., and CCFS Stage 1 contract rates. Their services have been satisfactory.

The contract is a non-Prop A contract and exempt from the Living Wage Ordinance.

County Counsel has approved this amendment as to form.

Honorable Board of Supervisors
February 4, 2003
Page 3

CONTRACT PROCESS

Not applicable

IMPACT ON CURRENT SERVICES

The amendment will allow the County to simplify the workload of this contractor and ensure uninterrupted child care services to CalWORKs participants as they transition between the various stages in their effort to move from welfare dependency to self-sufficiency.

CONCLUSION

The Executive Officer, Board of Supervisors, is requested to send one approved copy of this Board letter to the Director, DPSS.

Respectfully submitted,



Bryce Yokomizo
Director

BY:ws

Enclosure

c: Chief Administrative Officer
County Counsel
Executive Officer, Board of Supervisors

**AMENDMENT NUMBER 3 TO THE AGREEMENT BETWEEN
THE COUNTY OF LOS ANGELES AND
CENTER FOR COMMUNITY AND FAMILY SERVICES
FOR THE PROVISION OF CalWORKs STAGE 1 CHILD CARE SERVICES**

Reference is made to the documents entitled "CalWORKs Stage 1 Child Care Services Contract" by and between the County of Los Angeles and the Center for Community and Family Services (a non-profit agency), dated January 1, 2001, and further identified as County Agreement #CW01-58 (hereinafter referenced as "Agreement") and Amendments Number 1 and 2 to the Agreement.

Effective the day after Board of Supervisors approval of this Amendment Number 3, the original Agreement is revised as follows:

A. Part IV, Section 1.1 of the contract is amended to read as follows:

The maximum Operational/Administrative fee for each fiscal year of the Agreement shall not exceed \$1,837,501 based on a maximum caseload of 13,338. If COUNTY and CONTRACTOR determine that the caseload will exceed this maximum number, then COUNTY and CONTRACTOR shall negotiate an amendment to the maximum caseload as provided for in Section VII, FURTHER TERMS AND CONDITIONS, Paragraph 5.

For any month in which CONTRACTOR's invoiced cases are less than the maximum number of 1,113 CASES, CONTRACTOR shall invoice and COUNTY shall pay the cost-per-case of \$126.68 times the number of cases. For any month in which CONTRACTOR's invoiced caseload is equal to or more than the maximum number of 1,113 cases, CONTRACTOR shall invoice, and COUNTY shall pay, an amount equal to the direct provider payments actually paid out in the months times 16.42 percent. Direct provider payments paid by CONTRACTOR shall include payments authorized by CONTRACTOR but paid through COUNTY payment system for the month.

Non-needy caretaker cases, as defined in Statement of Work, Section 8.1, shall be separately invoiced on a cost-per-case basis of \$126.68 per case, and shall not be included in computing whether CONTRACTOR has obtained the maximum number of 1,113 cases.

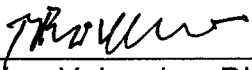
B. Part IV, Section 2.1, Subsection 2.1.3 is amended to read as follows:

For FY 2002-03, the fixed monthly fee for collocating staff shall not exceed \$11,209 with an annual maximum obligation of \$134,505. The monthly fee for outreach activities shall not exceed a maximum of \$6,669 with an annual maximum obligation of \$13,338.

Other terms and conditions remain in effect.

The parties hereto have caused this Agreement to be executed by their authorized officers.

COUNTY OF LOS ANGELES

By: 
Bryce Yokomizo, Director
Department of Public Social Services

Date: 1/22/03

CONTRACTOR

By: _____
Prentice Deadrick, Executive Director
Center for Community and Family Services

Date: _____

APPROVED AS TO FORM:

Lloyd W. Pellman, County Counsel

By: _____
Deputy

Date: _____